

COMMITTEE ON COMMUNITY IMPROVEMENT

June 25, 2001

5:30 PM

Chairman O'Neil called the meeting to order.

The Clerk called the roll.

Present: Aldermen O'Neil, Cashin, Lopez

Absent: Aldermen Wihby and Clancy

Messrs: Mayor Baines,

Chairman O'Neil addressed Item 3 of the agenda:

Presentation by the Destination Manchester Coordinator relative to the renovation of the Dunlap Building located at 967 Elm Street.

Mayor Baines stated thank you for allowing me the opportunity to address the Committee on the Dunlap building slated for revitalization. Another downtown Manchester structure is slated for substantial renovations. The Dunlap building, located on the northeast corner of Elm and Amherst Streets and best known as the former site of Essler's Department Store will undergo significant renovation if the Board of Mayor and Aldermen approve a financing proposal that is going to come before you this evening. Today's announcement is another victory in the battle to revive downtown. It complements our efforts with the Chase Block and the work that is going on with the Bond Building and it is another indication of our City really being on the move in terms of revitalization of downtown. The way I have described it, it is a triple play. You have heard of Tinker to Evers to Chance. I think this is what we are talking about. We are talking about the Chase Block and the Bond Building and now this historic building that many of us formerly remember as Essler's. So we have gone from Chase to Bond to Dunlap. I want to give particular credit to Bill Jabjiniak, our Destination Manchester Coordinator, who has been trying to coordinate all of the aspects of the financial package that will be needed to put together to make this project a reality and while I realize that this is your first look at it and perhaps there will be some fine-tuning that will need to take place, I believe that this is a must do project for the City in our efforts to bring downtown back and continue to make it a destination place. I know that maybe there will have to be some fine-tuning and we need the cooperation of a lot of people, including the MDC and others who are going to be asked to participate

but I believe it is a project worth doing, it is a project that is critical to downtown and it is critical to our efforts to restore the tax base of our City. I know that Bill Jabjiniak will be presenting more information to you and again Mr. Chairman thank you for the opportunity to address the Committee this evening. I also want to thank you, Mr. Smith, for your investment in downtown. I know you purchased this building I think in 1999 looking toward the future and we are pleased to have you as people who are committed to our City and our downtown and I thank you for your effort to work with us to advance this project on behalf of the City.

Mr. Jabjiniak stated as the Mayor has said the building has gone through several owners since 1987 and Paul Smith to my right has owned the building through his limited liability corporation since February of 1999. Paul is a resident of Goffstown, a former Selectman and a veteran of the Gulf War. He is a former owner and now President of Benefit Strategies. I am sure Paul will be a valuable addition to the downtown property owners. On my left is somebody that I think everybody knows – Dick Anagnost and I want to stress on Dick's behalf that he has no ownership in this building. I think we are looking forward to Dick's continued involvement in our projects. He has done a great job and I thank him for his past work and look forward to the future. Let me start with taking a moment to just give a quick update on the other two projects. The Chase Building is essentially complete. The third version of a punchlist is now being taken care of and the only major item outstanding is the arch that goes across Concord Street and that is scheduled to arrive sometime this week. Most importantly, this project is on budget and a lot of that is to Dick's credit. The Bond Building as you can see is underway. There are going to be great views from the upper floor apartments. I would also like to announce that there is a sidewalk barbecue to be held on July 2 at noontime. The developers have agreed to provide hot dogs and a beverage for anybody and everybody and a tour of the building so mark your calendars and plan to attend. This building here, the Dunlap Building located on 967 Elm Street, the northeast corner of Amherst and Elm Street is the last of the big three as the Mayor said that were blighting and dominating the City landscape. I have identified four project goals. I have said it before but any good redevelopment project should increase the tax base and this project will add an estimated \$1.5 million once complete. As I mentioned there were three large, vacant daunting structures. They were one block apart and this does eliminate that influence on our main thoroughfare. The building has a lot of historical features, more so probably than even the Chase Block, which we have won three historic awards for. We still have one on a national level that is pending. So this renovation will be very sympathetic to that and we are going to be able to maintain several very important design elements. Most importantly, the project is estimated to create 60 new jobs for the downtown and for the City and that is also a requirement of some of the funding. The City is to finance the renovation using no local tax dollars and what I mean by that is we are not using any local bonding

or cash resources. We have been successful in doing this on other projects and again we strive to do that. Basically we have had the building appraised. After rehabilitation it will be \$2.34 million. We are lending 76.9% of that value or \$1.8 million. A very important note is the owner will personally guarantee the loan. Total development cost is \$2.1 million. We are proposing a Section 108 loan program for \$1.35 million at 7% amortized over 20 years but balloons in 15 years. It simply means that any outstanding balance in year 15 will become due and payable. A co first mortgage position has been offered to the Manchester Development Corporation and they are proposing \$450,000 at the same interest rate as the Section 108 loan, however, the term is still undecided. Even through today we have not been able to satisfy a term and I guess it creates a problem for the developer and the owner. I will let Dick speak to that further if he so desires or we can go on and come back to it at the end of the presentation. The owner contribution of a little over \$300,000 represents his acquisition cost and associated fees with that acquisition. It does not include all of the taxes paid to date, insurance, repairs and any other maintenance that he has had to carry out. When I look at a project I like to do what I call a SWOT analysis. A SWOT analysis is simply strengths, weaknesses, opportunities and threats. The first strength I have identified is that when the project is finished and we have had some help from the Assessor's Office the estimated increase is actually \$1.57 million. The next page will actually have a chart that breaks this down for you. That increased assessment translates into approximately \$36,000 annually and that is calculated on a \$25 per \$1,000 tax rate. It is not factoring in any kind of an increase. This is a loan again and there are no grants involved. Here are your projections. It is projected at \$2.1 million with revenue of \$54,000. Currently it is \$589,000 and \$17,000 in revenues. That shows an increase of \$1,570,000 and \$36,000 annually. It is pretty straightforward. Weaknesses. The major weakness to this project has to be that there is no pre-leasing to date. That is why some of the banks have not been interested. The good news is that although nobody is signed, there have been several small businesses interested including a high-end picture framing business and another restaurant. There has been some inquiry about office space but nothing firm. Opportunities. The real opportunity is to eliminate that third major vacant structure in the core area of downtown. It is also going to continue the synergy that has been created through some downtown revitalization. I have identified two threats to the project. One is the procurement code limitations but since we do not own this building and are merely acting as a lender, this should not interfere with the developer and the construction manager. I think we distributed a memo with the information that went out on Friday. Actually it was a copy of an e-mail from HUD that summarized or verified that HUD concurs with this solution. The second threat is the sidewalk. I don't want to go through and renovate an entire structure and then have our sidewalk filled with jersey barriers on the outside. We have tried to obtain some firm construction numbers. So far we have not been successful although Dick has just mentioned that he has got

them but I don't have them so I am going forward this way. I am asking you, as part of the handout tonight, we are asking to take some money out of Downtown's 2002 project called Downtown Redevelopment and put it towards the sidewalks. It is only for the sidewalks. It is not part of the original loan to Paul. It would be simply to address the sidewalk area and that includes putting the brick walkway in, four street lights and hopefully an arch with optics and that is only back as far as the alley way. Paul is going to work with us on this. We are trying to find a solution to deal with the sidewalk situation as part of this project. Paul Smith owns the building through a limited liability corporation. We have mentioned that he lives in Goffstown and is a local businessman. Dick is being paid...I mentioned that he doesn't have any ownership interest. He is being paid a lumpsum for the project. Paul has hired him for his ability to get some things done with what he has done previously and I think that track record on real estate development projects in the entire City speaks for itself. I am asking that you approve the budget authorizations and I believe there are three of them tonight with the one Resolution. That will address transferring of the funds and also the sidewalk. You also should be aware that this is subject to HUD's final approval. It is a requirement placed on us by HUD. We are merely passing this on to the owner of the building and although I am feeling very confident...the Bond Building we actually received an "atta boy" from HUD so I always feel good when we get something like that. In the construction manager issue, which has been a problem in the past, it should now be mute since the City Solicitor has acknowledged HUD's comments. With tonight's approval and the full Board's concurrence on July 17, Dick would like to get things started with the bidding later in the month and into August so we are looking at a construction start of about August 1. Hopefully we will start with demolition and abatement and get everything else underway following that. As far as completion he will be looking for the City to cooperate in obtaining partial occupancy permits, thus allowing for occupancy later in the year with the full building scheduled to be completed in March of next year. These are the jersey barriers that I talked about and the sidewalk as we see now. In conclusion or in summary, the private sector is once again partnered with the City to accomplish economic development. We have been able to help by providing financing and they simply increase our tax base. We have mentioned the increase by \$1.5 million in the assessment. If you translate the actual yearly income over the term of the loan, you are just over \$500,000. All of this new revenue is accomplished utilizing no local tax dollars. We would eliminate another vacant building on Elm Street and we would continue the downtown renaissance and demonstrate that we are committed to a thriving downtown. I think it is a win-win-win. The only outstanding issue is the term of the loan.

Mr. Anagnost stated thank you for taking the time to hear us tonight. I would just like to further comment on three issues that Bill raised. The first one being the

pre-leasing. We have had a significant amount of interest. Naturally there are no leases because we can't commit to anybody as to when the project would begin without financing and when occupancy might be ready. We are in the process of negotiations for half of the first floor to a retailer. We have told them that should this Committee and the full Board approve the financing for the project that we would have him open no later than November 1. The Building Department, Leon and Max, have cooperated with us both on the Chase Block and are potentially going to cooperate going forward on the Bond Building with partial occupancies so essentially we are going to double our effort in order to start filling the building. We have also got some office interest, however, once again whereas we have not been committed to financing, therefore, we cannot commit so that will give you an idea of where we stand on the leasing. Second, with respect to the term of the MDC loan, they are proposing to put in \$450,000 but they want the loan to be ballooned out in five years. There are a number of issues surrounding that. First of all, they won't take second position, which means they are in a co-first position with the HUD funding. I have never seen the potential for a bank to come in and take a co-first or take out somebody in a co-first position. I mean what essentially MDC would be forcing us to do is to repay the entire loan at the end of five years because a bank will not come in and take a co-first with HUD and I am certain that they won't take a second behind them so, therefore, they have essentially tied our hands with the term. What we have gone back and offered them, which I thought was a reasonable solution, however, it may not be based on Bill's discussion today was we would commit...if they would go to a second position we would commit to the five year term and providing there was a lender that would take it out at that time we would take it out and if there wasn't any lenders we would make a good faith effort to two or three lenders and if there wasn't a lender prepared to do it under the same terms at that point in time then we would get an automatic extension of five years and again we would attempt it at the end of the tenth year and again if it didn't work it would be an automatic extension to the fifteenth year. Right now the five-year term essentially would prohibit us from going forward without getting a forward commitment from somewhere or at least a comfortable commitment from somewhere that a bank at the end of five would be taking out the entire loan. As you are all painfully aware from the Chase Block and the Bond Building, rehabbing of historic buildings of this type takes a lot of money. Much more than if you tore down the building and built it up new. Restoration of these old buildings to bring them up to today's codes as required by the Building Department takes a significant amount of money. The risk involved at the bank level by putting more construction dollars into the project than they would in a normal project is why we are here today. That is the purpose behind Section 108 and redevelopment money and Bill has been attempting to tap other sources to preserve as much of that Section 108 money to make it go as far down Elm Street as he can. So that is a real obstacle to us. Lastly, with respect to the sidewalk I would just like to elaborate a little bit on the problem there. The reason that

Amherst Street is blocked off with the jersey barriers is because it is structurally unsound. There are vaults that go under the sidewalk that is part of the basement and foundation of Mr. Smith's building. Mr. Smith has graciously agreed that during our construction we would address the structural issues surrounding that sidewalk if the City could see its way fit to allotting some money for the cosmetic, meaning the brick maybe matching the Chase Block's brick or something to that effect to go over the sidewalk once we have done demolition and fixed the sidewalk structurally. That is the reason for the request for additional funds for the sidewalk. If there are any other questions, I would be happy to address them from a technical standpoint at this time. Thank you.

Mr. Smith stated I would like to say thank you for the opportunity to bring this project before you. I have owned this building now for a little over two years and we have been patient trying to pull together the right team, the right enthusiasm and the right timing to bring this building back to being an economic contributor to downtown. We are not going anywhere. We have our business career here in the local area and what we are looking forward to doing is seeing this project being redone and retaining the charm and historic value and putting it back on productive roles. We are delighted that you are willing to hear the presentation and be part of this partnership.

Alderman Lopez stated let me go back to the sidewalk. Is there a cost factor that has been established for the sidewalk?

Mr. Jabjiniak replied we have been trying to get a hard estimate. We weren't able to in time for today's meeting. I think Dick mentioned that he has a number that came in late this afternoon. We are simply looking to transfer some funds to not have to come back again and share the cost of doing that with Paul.

Alderman Lopez asked does the balance of the \$548,000 if this program was approved would that be something that we could use for the sidewalk if it was agreeable.

Mr. Jabjiniak answered that is money that we borrow from the federal government and we have to pay back. The CDBG money that I asked to transfer is a grant that we had earmarked for downtown and we are just trying to move it around and accomplish some things.

Alderman Lopez asked who did the sidewalks for Margaritas.

Mr. Jabjiniak answered that was accomplished with CDBG funds also assigned to the project and done as a change order to that project.

Alderman Lopez stated the document that I was reading said co-mortgagors – the City and MDC doesn't want to go along with that and they want to be paid within five years. Will they give you the money if you agree to that?

Mr. Jabjiniak asked if we would agree or the developers would agree to a five-year term would they give us the money. Is that the question?

Alderman Lopez answered right.

Mr. Jabjiniak stated I think they would give us the money if it were five years. The question I have is would the developers accept it or the owner.

Alderman Lopez asked the Chairman if he could ask Jay Taylor a question.

Chairman O'Neil asked Jay Taylor to come to the microphone.

Alderman Lopez asked Jay, you as the economic development director in the City, have you played a role in working with MDC and trying to secure this development.

Mr. Taylor answered I can't speak for the MDC but there is a represent of MDC here if you want to ask him some specific questions with respect to their decision. I think that would be more appropriate than me trying to answer.

Alderman Lopez replied I will ask him but have you played any role in any meetings with reference to this project.

Mr. Taylor responded I have sat in on the meetings but I am not a member of MDC and I am not able to play a role in their discussions other than to be an advisor.

Alderman Lopez asked who is here from MDC, Skip Ashooh. Well, one of the things since I became an Alderman MDC and the Chamber of Commerce have been advocating development downtown. For a number of years before the civic center was approved they did everything possible. Why wouldn't MDC at this time step forward to help this project?

Mr. Ashooh answered let me first state the position of MDC on this project. To a person on our board we support this project. What MDC's responsibility is regarding not just this project but the \$2 million or so liquid dollars that we have for this type of project is we needed to have some sort of system for evaluating how MDC would commit these dollars so we could make a recommendation to the Board of Mayor and Aldermen and ask them to approve or reject the proposal.

Starting in January and February we started developing a list of guidelines and let me emphasize that those are guidelines. They are not hard and fast. One of those guidelines that we use in evaluating all proposals is a length of term. The MDC, very much like Bill Jabjiniak and the Destination Manchester Office, we like to take our money and make it go as far as we can so that we can use it to either provide financing of last resort to people who want to do things downtown or to use it as an incentive for other people to come into town so we would like to make our money go as far as possible as well. Part of the way we see doing that is finding some way to turn over these dollars fairly rapidly. In the past, the predecessor board or predecessor organization found itself in the position of some long-term illiquid loans and what we decided was in our guidelines it would be desirable to have a five year term. We have not gotten this counter proposal yet as far as taking the second position and some other type of liquidity. I can tell you that we are awaiting a couple of additional items from the Destination Manchester office. We have not seen the accurate proformers yet for this project or a hard and fast proposal, but our board, my investment committee is willing to sit down and work out these things. I believe there is tremendous support for the project. We just have, I think, a responsibility to have an evenhanded set of rules on how we evaluate all proposals. This is the first one to come through so we took our guidelines. I polled the full board and the \$450,000 amount I don't think is a problem. The general comments were that \$900,000 would be 43% of all our assets, which would be too much in one project. \$450,000 seemed to be a reasonable amount for everybody on the board. We had an issue about security for the loan. I think that is either resolved or is being resolved and I think perhaps the last remaining item is the term and I think we can have some discussions about that term and I think you will find that MDC is very willing to participate in this once we know we have performed our responsibility so that when we go to this board and say we like this project and this is why you know how we made our decision. That is the process that we are in right now.

Alderman Lopez stated the City took a great chance on the Chase building and the Bond building and I would hope, as you have indicated, that the MDC would also take a great chance and maybe look beyond those guidelines that have been set for this project.

Mr. Ashooh replied we are lenders in the Chase Block for \$200,000 and a no interest loan on that. That was, I think, MDC's first opportunity to make a statement of our willingness to participate in these projects. That commitment hasn't changed. We just want to know that...and people should know when they come to the MDC for funding of a particular project that these guidelines are out there and we do not have to have adherence to every guideline but we need to have some fair level playing field to measure things so you know how we are making these decisions.

Alderman Cashin stated my only problem, Skip, is that we are short \$450,000 this evening. We don't know whether we are going to get it or not. Is that fair?

Mr. Ashooh asked short from the MDC side. I think it is fair to say that you have the MDC's \$450,000 pending the resolution of the outstanding items.

Alderman Cashin replied let's assume they don't accept the resolution. We are short \$450,000 right?

Mr. Ashooh responded I can't speak for the MDC Board as to whether they would ultimately vote to take the longer term. All I can say is that they are willing to accept a counter offer and talk about it. I think you will find that we would be willing to act very quickly on it once we have something that we can deal with.

Alderman Cashin stated my dilemma here tonight is we are supposed to make a recommendation to the full Board this evening and sitting here right now I am not sure we are going to get the \$450,000.

Mr. Ashooh replied I can't tell you...I can't commit my board to something that is going to require a board vote. The Board of Mayor and Aldermen...basically we serve, well you have the override on what we say. We make recommendations and we are not in the position...all I can tell you is that in good faith we will accept the counter offer and see if we can resolve it. We want to see this building get done as well.

Chairman O'Neil asked would a vote from this Committee strongly recommending that this gets worked out give you any ammo.

Mr. Ashooh answered I would take it back to my investment committee and the full board. We listen to what you say. We just want you to understand that this was not a capricious decision that we made or process that we are in and that process is not finished yet.

Alderman Cashin stated I am being asked to fund something this evening and there is no guarantee that we are going to get the funding. I don't think it is fair to Mr. Smith to be honest with you.

Alderman Lopez asked, Skip, is this something that can be accomplished before July 17.

Mr. Ashooh answered yes. We have a board meeting coming up on July 13 but prior to that...since this proposal was first brought to us the investment committee

has met three times and the full board has been polled on the original outline proposal that we had on this. We now have that sentiment and we can contact the full board pretty quickly and start circulating information and try to get it resolved so that if need be we can do it prior to our board meeting.

Alderman Lopez stated I have just one other question and I don't mean it in any other way other than understanding. You said that we could override your decision?

Mr. Ashooh replied well the Board of Mayor and Aldermen has control over all of the assets of the City. We act as an extension of the Board for these types of transactions but we can only make recommendations to your Board. We cannot commit these funds. You are the only ones who can commit the funds.

Mr. Taylor stated can I just add that procedurally the process would be that...let's assume that MDC agrees to proceed with this loan. MDC would have to come back to the full Board for permission to make that loan in any event. Presumably that could be done on July 17 as part of the overall package so that is part of the process anyway.

Alderman Cashin asked, Mr. Smith, are you willing to go along with these realizing that there might be a loophole with MDC. Are you comfortable with that this evening?

Mr. Smith answered frankly I am not.

Mayor Baines asked couldn't the Board approve this pending approval of MDC. I understand why you said that but I think that is what we are looking for this evening is approval of this pending approval of the arrangements with MDC. I just want to make a couple of statements and I know that Skip and the entire MDC board are aware of our enthusiasm for this project and I believe that there is an ability to work out a solution that is in the best interest of protecting the goals of the MDC and also allow us to proceed with this project. The thing that I want to stress to this Committee and to MDC and everybody listening is there are a lot of exciting things happening in our City right now. I have had conversations with three retailers in particular who are looking at locating businesses downtown. It is not just restaurants that are coming downtown. There are people in various other businesses that are looking to come downtown right now and that is a very exciting opportunity for us to show people around and this project is critical to sustaining that enthusiasm as we address the retail issue and also try to address some of the housing issues downtown. I would urge the Committee to support this project pending MDC approval.

Chairman O'Neil stated my only comment is this is the third targeted building on Elm Street and we need the MDC money to move forward on this. The only other project I am aware of that is on the table is Bridge and Elm. To the best of my knowledge we will not be requesting any MDC money for that project. The time is now gentlemen. We can sit on \$2.5 million forever. We need to put it to work. That is the bottom line so I strongly recommend that we get this agreement worked out for July 17.

Alderman Cashin asked if Mr. Smith is comfortable then I will support it. If we are going to be partners, I want to be up front with him.

Mr. Smith stated let me just clarify my previous comment. I didn't understand the question was if it were conditional and the answer is yes. If the funds were not part of the project and we had to rearrange things to come up with \$450,000 that would not be something that I would move for.

Alderman Cashin stated so we agree that we will let it go forward and hopefully everything is going to work out.

Mr. Anagnost stated there is a significant amount of risk for Mr. Smith in this. He is not only putting in more dollars than would be necessary if he tore it down and put it up but he is also guaranteeing 100% return of his own personal guarantee in addition to the collateral of the building to both MDC and the City of Manchester. The two risks that Mr. Smith runs is that at the end of the five year term if the economy has changed and the bank financing is not available, technically he is in default of the mortgage. The only other advantage that he has is whereas it is a very expensive project and rehab is very expensive, spreading it out over the 15 year term at a fixed rate allows somewhat of a return to Mr. Smith for going forward and taking the huge risk that is involved. I just wanted to clarify why we need those terms.

Mr. Taylor stated I don't want to beat a dead horse here but there is another source of financing that is going to consider participating in this project and to the extent that that does or does not happen, let's assume for example that this other financing source, which I don't want to reveal at this point because it has not been publicly announced but to the extent that that additional participation may occur, that additional money would come off of the share that the City would loan. It would come off the \$1.350 million that the City is putting in so we would be able to further lower the City's participation thus making that money go further. That may or may not happen but at least it is being looked at. I just wanted to throw that in.

Alderman Lopez moved to recommend approval pending MDC's recommendation to the full Board by July 17 on the \$450,000. Alderman Cashin duly seconded the motion. Chairman O'Neil called for a vote on the motion. There being none opposed, the motion carried.

Clerk Bernier read the resolution:

“Amending the 2000 and 2002 Community Improvement Program transferring, authorizing and appropriating funds in the amount of One Million Nine Hundred Thousand Dollars (\$1,900,000) for the 2002 CIP 612802 Dunlap Building Renovation Project.”

On motion of Alderman Cashin, duly seconded by Alderman Lopez, it was voted to approve this resolution.

Clerk Bernier read the CIP budget authorizations:

2000	650500	Section 108 Economic Development Loan Fund
2002	611502	Downtown Redevelopment
2002	612802	Dunlap Building Renovation

On motion of Alderman Cashin, duly seconded by Alderman Lopez, it was voted to approve the budget authorizations.

Chairman O'Neil addressed Item 4 of the agenda:

Presentation relative to the status of the Granite Street Widening Project.

Mr. Tom Sommers stated for the record I have a number of people here but the majority of this presentation will be from Keith Weaver and myself. Keith is working with us from LDR. He is the person who worked with us on the Master Plan for the Riverwalk. I may call on from time to time Roc Larochelle who is our project manager and if necessary Tim Goldie or Frank Thomas if we have any questions that need to be dealt with. Before I hand this over to Keith what I would like to do is preface with a couple of remarks to bring you up-to-date on this project. This that you have in your hands is the original plan concept that CLD developed for the purposes of developing an initial budget. That budget, if you remember or if you don't remember was in the \$15 million to \$18 million range. It shows the lane configurations. We also talked about in that budget that we would be coming back to you with an expanded design if you will or an expanded concept with respect to making this into a first class gateway into the City. That is really what we are here about tonight is to present that to you. Although it wasn't shown on this plan in terms of all the landscape features, it was contemplated and

that is what we are here to discuss. The plan that you see on the easels here is that plan. I am going to let Keith go through it in more detail but I wanted to say a couple of things. First of all, the traffic configuration is essentially the same as what you have here. In other words the lane configurations, the lane width and all of that. I am not going to go through all of that in detail. We can deal with that with respect to questions. There are probably quite a few details that I won't go through initially. I will let you ask questions if you have them because otherwise we could be here for a lot longer than you want us to. A couple of other comments are that in order to do this expansion we need to take a number of parts of a number of properties, which include buildings. It was always contemplated that on the West Side the Exxon Station, what was formerly the Cumberland Farms, the Raphael Club, and Henry's Auto Body would all be impacted by this project. With the new landscape design that Keith is going to present to you, that still is the case. On the east side it was always contemplated that we would be needing to take some property from Loew Plaza, which is the federally funded project the City has and from Gateway Park because we need to expand the lane configuration as well as the sidewalk configuration and that the Fleet Bank parcel would also be impacted. There is also another parcel that you will see which is a hair salon and this location is now impacted under this concept. That, I believe, is an additional item. One of the reasons that we need to impact some of these pieces as well as provide a vision and again Keith can get into that is that we also are going to need to mitigate. When you have federally funded projects you have to mitigate what you are taking from them. I need you to keep in mind that part of what we are going to be talking about here is that mitigation in terms of what we are taking from here and from here.

Alderman Lopez asked when you say we are you talking about the City or the state.

Mr. Sommers answered the City.

Alderman Lopez asked isn't some of this stuff being taken by the state.

Mr. Sommers answered no. The part that is being done by the state is that part that is adjacent to Exit 5. That is this area here.

Chairman O'Neil asked so with the exception of the Raphael Club and Henry's Auto Body everything else is part of the City project is that correct.

Mr. Sommers answered that is correct. It is part of the City project. Another comment that I should make is that we have been in touch with our Congressional members and have had substantial discussions with all of them and have gotten support for this project for funding in the following two ways. One it has been put

on the 10 year highway plan, which is a necessity if you are ever going to get any federal funding for this. Now I am not talking about Exit 5. That already has state funding. I am talking about the remainder of Granite Street, which is the City's project. In addition to that, they have also put this on as a special appropriation on the Highway bill I believe for the year 2003 similar to what Nashua had done with respect to their Broad Street Parkway that has been in the paper, which they did get funding for. The initial steps on a process like that have been taken and have been picked up by our Congressional delegations and are being moved forward. I believe the amount of that is in the neighborhood of \$15 million, so a fairly substantial amount of this entire project. I believe there was one other thing that I wanted to say and it is not coming to my mind but maybe it will afterwards. With that I am going to let Keith provide the image for you so that you can see what has occurred since we originally budgeted this project and where we would like to go.

Mr. Weaver stated good evening. I appreciate being here as part of the CLD team and as part of working with Dennis and Frank. This is an exciting time to be back after working on the Riverwalk and being asked to work on what we think is of equal importance as the Riverwalk to you all. At LDR we think that creating a strong vision for this gateway...ever since we did the 1993 plan if you all remember Granite Street before we were even conceiving of a new interchange was a very important gateway entrance into the southern part of the City here. So what I would like to do first is you have a packet in front of you that is composed of about eight sheets of drawings and we have those on eight boards that are either going to be left with CLD or you if you want to look at them in larger scale. I wanted you each to at least have a packet on your own so that you could follow along with me as best you can and I am going to try to go through them as briefly as I can. We spent a lot of time over the last month putting together imagery from other places and creating sketches of what we think this corridor can be and when we were brought on after the concept had been pulled together that Tom just talked about and we said wow there are some other great opportunities here if we do it now. If we do it later you won't be able to do it. If we do it now you can do it so what we wanted to do is help in creating a vision for this corridor. I know that word is used a lot and it is almost a jargon like term but that is what we truly mean. You have a great new focal point here in the downtown with the civic center being built and it is great to see that going up. It is the first time I have gotten to see it going up under construction and nearing completion and you will see that in the sketches that we have provided in a moment. If we were to start from left to right, that is the way I would like to do it, we won't come in on the interchange but we will start at the west end along Main Street and then work our way over to Elm and Lake Avenue. We have divided this into five, hopefully easy to understand images of the corridor. We are going to talk about the west end district that goes up to the interchange. We are going to talk about interchange 5 and the bridge itself and how those can work together. We are going to talk about

the Millyard District implications along Granite Street. We are going to talk about what we are calling the Gateway Park area. We realize there is already a Gateway Park on Commercial Street and we probably ought to rename this but we think that is a really great opportunity to follow-through with and the last area is the civic center area. What I wanted to point out in this first overview is just some of the key recommendations that we are making and then we will go through the detail boards to walk you through some of the images. Overall we were given that initial alignment and it had very minimum standards in a lot of cases. It was a good functioning facility nonetheless but we thought that it needed to consider some things like widened sidewalks. One of the images that I want to plant in your mind is we are trying for a streetscape environment like you have already set up at Gateway Park. If you can envision that it is a green panel with brick sidewalks behind, beautiful trees and try to create a really wonderful greenway if you will connecting the west end neighborhoods with the east side downtown area. Even when we were doing the Riverwalk plan we acknowledged with the Granite Street bridge crossing that we needed to have heightened pedestrian and bicycle friendly characteristics on it because it is going to be one of your only linkages across the way until we build the pedestrian bridge itself. So, playing that up and not just making it friendly for cars but making it friendly for people and bikers and people in the neighborhood getting to the downtown is going to be ever more important, especially with this major new facility that you have here in the civic center district. That is one of the other things that we wanted to bring up that the civic center area we really see as becoming a new economic generator for the south end and that is going to become a civic center destination if you will. You will see...my goal is that you will see many of these properties start to encourage mixed-use development. Because of the investment made on this corridor, if we turn it around instead of just making it a transportation corridor but truly make it a front door greenway into the downtown and to the civic center, it will encourage and your public investment will be the public spark to private investment. We believe that as strongly here as we did on the Riverwalk and as we do on the Elm Street improvements in the downtown. So, it is equally important. What I would like to do now is go through the West Side district first. Some of the main recommendations that we are looking at here is first of all we looked at the Exxon station and looked at an actual reconfiguration on that site. We didn't think it was just enough to say that it be replaced or could be rebuilt. We wanted to have a conceptual layout of how that would be done. You can actually accommodate two sets of pumps in there and a fairly sizable 5,000 square foot building that would maybe be a full service gas station. We have shown an image of that on your sheet in the upper right corner of an Exxon station that is more full service oriented. It has a nicer quality environment about it. It is not just a drive-in canopy. We wanted to provide some imagery to say don't just settle for what was already there. Try to settle for something that would improve the West Side and improve the office and commercial development that is across the street there.

The other thing that we would enjoy seeing there is a gateway feature, a signage feature to help screen out some of that gas station that may actually be titled for the West Main Street area over there. We think that would be a nice enhancement for the pedestrians in that neighborhood area. We have also recommended up and down the whole corridor that you go from 6' sidewalks, which were originally planned along the facility to 12' sidewalks. Essentially what that is is a 6' sidewalk and a 5' planting zone for trees and lawn panels or ground cover tree pits and then a splash block for snow and slush that kicks up onto the sidewalks. It eases maintenance a lot more. That is what, when we talk about 12' sidewalk zone down through the whole corridor it is from here all the way up to Lake Avenue and that is how we recommend breaking that down. The other thing that we started on the west end and moved our way across on is we found that we could go with narrower travel lanes so we recommended 11' travel lanes rather than 12' travel lanes and then the far outside lanes will about 4' wide bike lanes so we can get bike lanes going back and forth. What we removed in travel lanes we were able to put in an actual transportation enhancement for bikes linking the neighborhoods over to the downtown. We are also recommending that the boulevard in this area...originally the median was only 6' wide that you can't even really plant trees in and so it was just going to become this concrete divider much like you have today. We think the whole purpose of doing this as a team is to take it up a notch if you will from what you have today. Don't just add lanes or bring it up and make it a really nice entry sequence. We have recommended a minimum 10' median and that is what you will see in your cross section going up through because that is a minimum that you would need for splash blocks and trees in the middle. One of the impacts that Tom discussed was parking and in and around the Second Street area there are two public parking lots. Under the reconfiguration we basically have it laid out as a wash but they actually function better this way, the way they are drawn than what they are today. The larger of the two lots...there are two truncated lots and it has about 73 spaces today. It actually would have 75 under this scenario so that is in good shape. The 34 or so that are to the left of Second Street would actually be cut back to 30 to put in some landscape islands but then we can actually put four more spaces in front of the glass shop that are shown as parallel parking. We would net out at 34 where the Cumberland Farms used to be. If you look at the overall board, in the upper left corner we just wanted to show some images starting at the upper left and working our way around of how Commercial Street looks today at the Exxon and how it can look...this is from Falls Church, VA and the next one is from Annapolis, MD close to my home. They have done the same type of commercial corridor but given it a neighborhood character just in the type of plant materials and streetscaping that has been brought into that area. As you work your way around to the right there are some examples of some entry signage from Annapolis and some examples of some pedestrian friendly boulevards down in the lower right hand corner. Continuing across the bottom again some images for gateway signage as you are

coming into that neighborhood area on the West Side. That is a vision that has been set for that West Side area. I will try to go through these a bit faster. As we work our way down we get to the interchange, which we have not gotten to work as much on directly but we had some ideas and we floated those around. Essentially starting in the upper left hand corner this is cast concrete and I just wanted to point that out, these upper ones that look like stone are actually cast concrete and we are thinking that you can go that extra level with stamping concrete and things like that on the bridges and on the interchange spaces so that they give you a strong character and it is not just blank, normal concrete walls. As you continue around we are looking at the fenestration and the treatment for the pedestrian area along the bridges so the next three photos, two of which are from down the road here in Providence because we went there on a field trip to study their bridges and bridges alone so that we could understand how they did overlooks and things like that that are proposed for this bridge. There are a couple of really good examples that would fit the vernacular that we are trying to do here and then as you continue around we have some examples of piers on the right hand side and we envision these piers happening at both ends of the bridge when you have to transition down to the Riverwalk or transition into and past and through the interchange area. Again, that would give us an element to create a sense of identity on the bridge and you know you are going across something important and then as you continue down if we have to keep the traffic lane bridges for the signage we have shown in the bottom right hand corner a good example of how you can incorporate that into a gateway rather than just the standard DOT roadway sign grid so again bringing that up a level and giving it more detail somewhat like what you have got on Stark Street where you have created the archways and create a sense of place when you walk down the street that is what we would be trying to do here. In the lower left hand corner are some examples of retaining walls that would be used along the edges of the interstate rather than the standards retaining wall with graffiti on it that just invites more graffiti with the normal geo block patterns. The next board is looking at the Millyard area. As you land at the Riverwalk going up to Canal Street again we see these as 12' walkway areas with 10' medians that would have ornamental trees in the center and then larger shade trees along the edge. In the upper left hand corner what you see is the vision for what the overlook would look like and then as you continue around one of the key things is that the railway crossing in the upper middle...we really want that to feel pedestrian friendly and not just like a vehicular crossing so we have shown some examples there of how you treat that so that it gives right-of-way to the pedestrian and doesn't just look like a railway crossing the way it is today. If you go down the right hand side, these are different examples of what the walkways would be like. More than likely we would like to see them full brick like you have done on Commercial Street. As you continue down we have shown some landscape island treatments that would show the accurate width of what we propose here in the middle of the street. The last area

that I would like to talk about is down in the lower left area there are some details as to what the retaining wall could look like along Loew Plaza. As we are going to be pushing out into that space we need to create a retaining wall there and there are ways to do it that actually have artistic merit to them or it could actually be a slope back treatment and then there is an example of the steps that we would need at the ends of the bridge to get down to the Riverwalk that will go underneath the bridge. We felt like we needed to at the end of the Riverwalk for right now we started looking at Loew Plaza and then we took it to another level for the sake of this project. This was a revised plan of Loew Plaza. The current bridge only comes to this point right now then you have the large series of steps that come down in this location. We are going to have to push that in order to get all of the dimensions that we have talked about but we have shown some examples of how that could look. The main elements of that are in this sketch. This is what we envision it looking like if you are looking at the southbound lanes after having just walked over the bridge. You would land in this area and you would be looking down on Loew Plaza with some arbors with swings under them rather than static benches. We would actually like to have some swings and then you would have a sequence of steps that would come down to a bridge connection that goes underneath the bridge itself and then we would try to pick up on the paving patterns that have been adjusted for the Riverwalk area themselves so it all ties together and you know you are walking over the Riverwalk and it ties together thematically. This is a 12' walkway zone with 5' tree pits and some splash band area, a 4' bike lane and then two 11' drive lanes and then an island that would be 10' wide with a fence in it to keep people from crossing at illegal points because the more popular this becomes the more people are going to jaywalk and I know how difficult it is to walk across here without any protection whatsoever. That is a vision that we had put together for that and then for the gateway area there are similar details, but this is a very important place because right now the road under its current alignment when we were given it it was actually, as it does today, comes within 5' of the NH parking garage next to the office building. If you were working from there out you really wouldn't have much environment on that side and we have always said that is the ugliest part of coming into downtown is just staring at the back end of those parking garages. What we are recommending is that on the Fleet financial bank site we actually pull it away from the office building and pull it away from the parking garage and change the configuration slightly. Again this is a concept right now but all of the lanes function the same way as what you have been shown previously. We are recommending that that Fleet site become a gateway park as an extension to the plaza for the civic center. The whole vision is that this will serve as a spark for this warehouse district below to change and become economically even more viable than what it is today and create a great front door welcome mat while still providing parallel parking or even angled parking for these uses on Old Granite Street. You can look at some of the smaller photos but this was the main image that we wanted you to look at

which was a sketch of that area with the walkways coming up past the parking garage, the median in the center and then this large green park. One thing I noticed today coming in was you have this great piece of architecture that you have created with H.O.K. and you can't see it because it is all masked by lots of things including Fleet Bank. We think in the long run that is going to be an even more civic statement and that the park can help mitigate some of the offset that we need for the other two park areas that are impacted along the corridor while adding tremendous value for the downtown. In the long term we see these buildings possibly being renovated with façade renovations and possibly use changes to complement the arena district if you will. Many cities now are looking at corridors just like this. There is one in Wilmington, Delaware and one in Toledo right now. Mobile has already changed their corridors. Anything coming into their most civic buildings they are changing the impression of these corridors and spending the dollars on those corridors. I think that gives you a general overview. The last piece that I wanted to say is on Lake Avenue. We are actually looking at providing some bump outs on that street in order to create some green tree pits and we actually don't lose any parking in that area because we have changed the lane configurations such that we gain parking because of removing a right hand turn lane that previously existed there. We will still have a right turn lane there.

Mr. Sommers stated all of the people that could be affected by this have been notified, however, I will say that we have not entered into negotiations with them. We are here talking to you first but they have been shown this and they are aware of what is going on. We haven't talked with them with respect to what their positions are yet so I think that should be stated clearly. The other thing with respect to the existing parking that is in that Fleet site and that probably is the single most substantially impacted piece that we are talking about is approximately 55 spaces now and with angled parking we can replace most of that although we will still be short probably 20 spaces at this particular point in time. We would have to work around that in some way but overall as Keith said what we are trying to do with this is not only create a four way intersection and a full access to downtown but also to create an image that the City can be proud of and that will not only bring in people with respect to the pedestrian corridor but also continue the economic revitalization that the City is undergoing in the downtown. With that, we are open to questions.

Alderman Lopez stated I think that they will probably have to make another presentation before the whole Board in reference to this and so the public can see it too. I presume this is all in different phases in order to do this project. How many phases are in this total project?

Mr. Sommers replied in terms of doing this project, this project is right now intended to be substantially constructed over a two year period. When you talk about phases I was thinking more in terms of design and land acquisition, etc.

Alderman Lopez stated when we had the presentation with the state in reference to the Granite Street Bridge they were talking about an on-ramp. I think this is beautiful but I didn't hear anything about all of this. Now Frank Thomas is here and I think...

Chairman O'Neil interjected it is a separate project.

Alderman Lopez asked totally separate. It has nothing to do with this?

Chairman O'Neil stated Keith and Tom are representing the City side of the project, which is the Granite Street section and coordinating it with the state project correct.

Mr. Sommers replied correct. These are two distinct projects, however, they are connected so the part that you may be referring to, Alderman Lopez, is the state presentation. They would have only been talking about this section.

Alderman Lopez responded right, which is our major goal to do.

Mr. Sommers stated but in order to do that properly this section needs to be constructed because in order to get the right lane configurations and get this whole interchange area done properly...

Alderman Lopez interjected how far from the on-ramp would things have to be constructed.

Mr. Thomas stated basically as a result of the diamond interchange that is being proposed by the state we have to do this entire widening project or you are going to have congestion up and down Granite Street and quite frankly the efficiency of that interchange will not be there. So, this project was necessitated by the State's interchange project and that is what led to this original handout that you got a year ago. This was a result of the interchange project. Without this project, the interchange project would be built but would not be functioning properly.

Alderman Lopez asked the bike path I thought was going to go over the Hands Across the River.

Mr. Sommers answered that is not part of this project. That is a separate project.

Alderman Lopez asked so there would be two ways to get across the river then by bicycle.

Mr. Sommers answered one will be totally a pedestrian bicycle way and the other would be pedestrian and as it is now vehicular.

Alderman Cashin stated I think we knew that when we widened Granite Street that we were going to get involved in this and I think we were looking at a proposed project of between \$15 and \$18 million if I am not mistaken.

Mr. Sommers replied where we are now, Alderman Cashin, is if we go with what we are proposing to you we are closer to the \$18 million.

Alderman Cashin stated but we knew this when we got involved in this. You can't do one without the other and if you don't do them together it is going to cost you more money in the long run. We are locked in. I like it.

Chairman O'Neil asked are we within budget on both design and construction costs.

Mr. Sommers answered yes. I guess what we don't have in hand totally although we have a number for it is the land acquisition. As you know, that has not been easy to put our hands around.

Chairman O'Neil stated I have a little bit of concern about maintaining this type of design. A lot of these projects that have been talked about are in the mid-Atlantic or in the south. From a snow removal standpoint, I don't know if Frank wants to answer that or Keith if you want to answer it.

Mr. Thomas replied a lot of the designs that have been proposed tonight actually take that into account quite nicely. I think the big thing you have to keep in mind is when you build something that is potentially going to look like this or the Riverwalk or Elm Street you have to start focusing in on putting some money aside for annual maintenance of these projects. The brickwork deteriorates pretty quickly, etc. so you have to look at long-term maintenance as part of this whole project.

Chairman O'Neil asked, Tom, has this been reviewed by the NH DOT because you did talk about some parts that affect them and has it also been reviewed by the Manchester Highway Department.

Mr. Sommers answered it has been reviewed by the Manchester Highway Department. I don't believe it has been reviewed by...well lane configuration wise I know that it has been seen by the NH DOT.

Chairman O'Neil stated well Keith mentioned some items about bridge abutments and that.

Mr. Sommers replied what we do know in talking with the NH DOT is this. If we provide them concepts, architectural landscape concepts, they will put the money into that bridge and that area that they are doing kind of similar to what they did up in Concord at Exit 13 where I am told they spent over \$1 million in terms of additional improvements in terms of pedestrian streetscape, architectural improvements to the bridge, etc. We are of the understanding from direct discussions with them that they would be absolutely open to that also in order for us to provide a corridor that goes beyond just the vehicular access corridor if you will.

Chairman O'Neil stated just for quick review, with this concept we will stay within design and concept budget and Frank are you comfortable with the maintenance end of it other than we are going to have to put some money away whether it is Granite Street or Elm Street or the Riverwalk for maintenance and you have reviewed all of this and are comfortable with the lanes and all of that stuff.

Mr. Thomas replied that is correct. We have worked closely with CLD and LDR on this project so we do support it. Obviously as we get farther down in land acquisition and final design the numbers may change but we can always look at potentially scaling back here or there. Right now this is in the budgeting range we are looking at and again quite frankly a lot of this depends on how successful we are at the federal level.

Mr. Sommers stated I have one final comment. What we are asking of the Committee tonight is to move this forward to the full Board. We aren't asking for anybody to endorse particular dollars per say, but to endorse the concept of what this is. The reason we need that is we then have to go forward to the state and federal resource agencies, environmental agencies, and work with them with respect to mitigation and they want to know is the City endorsing the program. That does not mean that every detail has to be as it is, but is the concept of where we are going endorsed. We also recognize as Frank said that the federal dollars are vitally important to making this thing go. When we are talking about enhancements beyond what we originally showed and I will reiterate that when we did show this originally we knew that we were going to be asking LDR to come back and show us an improved enhancement. That is what they were to do. When I said that we were at the upper range of that, that means there is a bigger local

participation quite frankly of...instead of \$15 million from the federal level we originally talked about very little local participation but now we could be talking about \$3 million in participation. That needs to at least be understood.

Chairman O'Neil stated but originally going into this we didn't have any commitment from the feds. The local participation was going to be between \$15 and \$18 million.

Mr. Sommers replied right and we don't have commitment yet but what we have gotten commitment from is our federal representatives that they will back this project through.

On motion of Alderman Cashin, duly seconded by Alderman Lopez, it was voted to accept the concept of the Granite Street Widening Project and recommend that a presentation be made at the July 17, 2001 meeting of the Board of Mayor and Aldermen.

Chairman O'Neil addressed Item 5 of the agenda:

Communication from the Director of Planning submitting a resolution, an amending resolution and revised CIP budget authorizations, transferring funds to the CIP 831100 Security Project.

Resolutions:

"Amending the 1999 & 2000 Community Improvement Program, authorizing and appropriating funds in the amount of Fifteen Thousand Forty Eight Dollars (\$15,048) for the FY2000 CIP 831100 Security Project."

"Authorizing the Finance Officer to effect a transfer amount of Fifteen Thousand and Forty Eight Dollars (\$15,048) from the 1999 CIP 333399 Card Access Security System Project to the 2000 CIP 831100 Security Project."

CIP Budget Authorizations:

1999 333399 Card Access Security System-Revision #1-Closeout
2000 831100 Security - Revision #1

Chairman O'Neil stated one of the things that we need to work out and I actually thought was in the process was a policy from the School District with regards to their approval for these projects to go forward. We don't have that to date. It came up during the CIP budget. They had some concerns that they had not voted on the security portion of it.

Mr. Robidas stated this would not be in relationship to the schools. It would be included in that fund but these particular funds would not be allocated in the schools.

Chairman O'Neil replied that is not what it says on the CIP portion. It says funds to be used to improve security at City buildings, primarily schools.

Mr. Robidas responded that is correct and the budget was allocated through CIP primarily for schools but that was to cover the intrusion system that we were doing. That did not prohibit us from doing it in other facilities. This particular \$15,000 would not be utilized in schools. There is remaining that issue that we need to discuss with the School Administration regarding the \$215,000. That is still on the table. We did speak to the Building & Sites Committee and there is some discrepancy dealing with that \$215,000 versus if they are getting \$215,000 or \$89,000. That still needs to be resolved but these particular funds themselves, this \$15,000, would not be spent in the schools. We are actually looking at the Traffic Department, Health Department and Office of Youth Services.

Alderman Lopez moved to approve the resolutions and budget authorizations.

Alderman Lopez asked so this has nothing to do with the \$215,000. You still have to come back to spend any of that money for the schools.

Mr. Robidas answered that is correct. That is still unresolved and that is something that we need to discuss. I have spoken to the Superintendent and I have spoken to the Building & Sites Committee and that is something we need to come back with.

Chairman O'Neil asked that is over and above security. That is any project we do there needs to be a policy from the School District.

Mr. Robidas answered that is correct.

Chairman O'Neil stated then we get into the war with the chargebacks and if they haven't authorized it they feel that they are not obliged to pay that money.

Mr. Robidas replied that is correct and their position, just very briefly in that regard, in that \$215,000 that was included in CIP as you recall the Board appropriated \$126,00 for an expedited project to include the intrusion system project leaving a balance of approximately \$89,000. The Building & Sites Committee and the Superintendent's position being that the City should be funding the \$215,000 and not the remaining \$89,000 because the \$126,000 that

was expedited was actually from their position a City bill and not their bill. That is why that \$215,000 needs to be discussed with the CIP Committee and they are waiting for that to be on their agenda and they will address the issue at that time.

Alderman Lopez stated I am reading this to be that the \$15,048 is to complete the Police card access. Is that correct?

Mr. Robidas replied that is correct. That was originally a bond issue back in 1998 for card access for the Police Department. There was \$45,000 that was bonded. There was \$29,000 that was actually spent. This is the remaining close out of those funds that we are asking that those be reallocated to other City facilities. Again, that \$15,000 will not be spent in the schools.

Chairman O'Neil stated I just want to be clear. The \$15,000 is for the Police Department or for other City departments.

Mr. Robidas replied for other City departments. The \$15,000 comes as a close out from the Police Department card access.

Chairman O'Neil asked can we get a complete list of what is happening at those other departments out of the \$15,000.

Mr. Robidas answered yes. Actually I have two proposals of what we are intending to do with a portion of that money.

Alderman Cashin asked has there been a meeting with department heads.

Mr. Robidas answered yes. I actually sat down with Mr. Lolicata and we addressed some security issues that he had and I also sat down with Fred Ruscsek. As you know there is a question whether the Health Department is going to remain where they are presently located so whatever equipment would be purchased, about 70% of that would come with us. In addition, I followed up with Mr. Jabjiniak to see what the timeframe would be and he advises me that there is still an 18-month lease remaining on the Health Department at their current location. Even if we went ahead and did what we wanted to do, 70% of this we could take back with us. The third location would be the Office of Youth Services and that is just wrapping up some things that we have already begun over there and we would just clean up some things at the end as far as the two-way communication in their customer service area.

Chairman O'Neil asked can you get us detail of the three projects.

Mr. Robidas answered yes.

Chairman O'Neil duly seconded the motion to approve the resolutions and budget authorizations. The motion carried with Alderman Cashin being duly recorded in opposition.

Chairman O'Neil addressed Item 6 of the agenda:

Resolution:

"Amending the 2002 Community Improvement Program, authorizing and appropriating funds in the amount of One Hundred Ninety Seven Thousand Five Hundred Ninety Four Dollars (\$197,594.00) for certain 2002 Police CIP Projects."

On motion of Alderman Cashin, duly seconded by Alderman Lopez, it was voted to approve the Resolution.

Chairman O'Neil addressed Item 7 of the agenda:

CIP Budget Authorizations:

1999	760199	CSO Projects - Revision #1
2000	760500	CSO Abatement Projects - Revision #2
2001	740001	CSO Abatement Projects - Revision #1
2002	411402	Weed and Seed Pilot Program
2002	411502	Project NH95/NE632

On motion of Alderman Cashin duly seconded by Alderman Lopez, it was voted to approve the budget authorizations.

Chairman O'Neil addressed Item 8 of the agenda:

Communication from the Deputy Public Works Director requesting the Committee's recommendation to the full Board that the Highway Department execute the Landfill Closure-Phase II contract.

On motion of Alderman Lopez, duly seconded by Alderman Cashin, it was voted to approve the request.

Chairman O'Neil addressed Item 9 of the agenda:

Communication from the Highway Engineering Manager seeking approval

to complete work on Straw Road as part of the City's Chronic Drain program noting there are sufficient funds available.

Alderman Cashin moved to approve the request. Alderman Lopez duly seconded the motion.

Alderman Lopez asked how much money is in that account.

Mr. Thomas answered we have a total in that account right now of \$196,000. That is made up of three years of appropriations. I can give you a summary of that account.

Chairman O'Neil called for a vote on the motion. There being none opposed, the motion carried.

Chairman O'Neil addressed Item 10 of the agenda:

Communication from the Deputy Director of Parks, Recreation & Cemetery seeking authorization to apply for 2001-2002 Transportation Enhancement (TE) and Congestion Mitigation and Air Quality Program (CMAQ) grants.

Alderman Cashin moved to grant authorization. Alderman Lopez duly seconded the motion.

Alderman Lopez asked has there been any money committed by the City.

Mr. Johnson stated this request is to submit the application. The first program, the Transportation Enhance, was identified in our FY02 CIP plan. They are 20% City matching funds and 80% federal funds through the NH DOT. We had identified that. The second program, the CMAQ program, we did not identify but we see some new opportunities to seek a grant through them.

Alderman Lopez stated on the south end, the rail corridor going up around Beech Street is that what we are referring to.

Mr. Johnson replied that is what we would like to apply for the CMAQ grant for. Those particular grants are for projects where the City can demonstrate that congestion or air quality can be improved. You might have seen in the paper we had a planning study. Some voluntary services were donated by VHB. The community group that came forward from the Voices and Choices Program had identified that particular corridor as being an opportunity to provide recreation and

alternative transportation for those neighborhoods. That is why we would like to look at it for that program.

Chairman O'Neil stated my concern is not with the Piscataquog. It is great to see that that is moving along. My question is are we locking ourselves in on the south Manchester rail because I don't think we are there. I have received a number of phone calls. I know the Airport has a role in this whole thing and I am just wondering are we locking ourselves in to doing a project that we may not be ready to do.

Mr. Johnson replied no. I think we would take the same approach that we did with the Piscataquog railway. We would probably want to do a Master Plan and just continue with the planning workshop that was done back in the first part of this month to hear all of the issues. I know that last week we were at the Planning Department to meet with some developers that have a project down in that area to talk about some of the different concepts. I think it is an opportunity for the City to take advantage of that. I don't know if Bob can answer whether or not any other CMAQ grants are being proposed this year but after speaking with the Regional Planning Commission, they don't typically receive a lot of grant applications for this program because you have to really determine that you are going to improve congestion and air quality. Down in that section of the City I think that is one of the prime considerations of the trail that it would provide alternate transportation and links to the neighborhoods, to the park and possibly links to the Riverwalk.

Chairman O'Neil asked could we apply for a CMAQ grant for Phase III of Piscataquog or for the Riverwalk.

Mr. Johnson answered I think we could. We would have to demonstrate that that particular project...after you do the analysis I think it is my understanding that we would have to go to the Regional Planning Commission and they have a model that they would do to actually determine how much air quality is being improved. I think if you can...in the grant what we are really going to have to stress and this came out in the planning workshop was if you are reducing the number of trips that residents would make say to a neighborhood park, Precourt Park is located right in the middle of the corridor or the corridor could be used to get to commercial centers such as shopping centers, that is what we would try to stress. On the Piscataquog Trailway we are underway. We have used transportation enhancement funds for that but I think we have to really look at how we are saving trips and improving the air quality on that.

Chairman O'Neil stated I am concerned about...I think we are locking ourselves into doing a project down there and I am concerned about that. I think there are a

number of issues. You still hear occasionally that it comes up as a possible light rail between the Airport and downtown and I am just concerned about locking it in and I did get a few phone calls from Beech Street residents about it. I would prefer that we didn't go forward on that right now.

Mr. Johnson replied those issues were addressed at the planning workshop and we would continue. I think what we are asking now is to submit a grant. I think what we would do is probably the Master Plan and try to identify those issues but at least keep the project moving forward.

Chairman O'Neil asked why don't we apply...we have no controversies with Piscataquog and everybody seems to support it so why don't we move with the CMAQ as a Phase III of Piscataquog.

Mr. Johnson answered Bob MacKenzie probably has more experience with the CMAQ. I think on the South Willow Street corridor you had used a CMAQ grant in the past for a traffic light but I think we are submitting for the second phase of Piscataquog under the transportation enhancement funds and we just thought it would be an opportunity for the City to continue with some of the programs and look at a CMAQ. I am not sure if any other agency is doing a CMAQ grant this year.

Mr. MacKenzie stated I am not aware of any other agency applying for the CMAQ. That is a little bit tougher to get. The last one we received was about four to five years ago and that was interconnecting all of the signals on South Willow Street. It would probably be a long shot to apply for CMAQ for either the Riverwalk or the Piscataquog Trail and I am not sure what the chances are for this particular rail trail but I would probably classify it as a long shot for the Riverwalk or Piscataquog.

Alderman Lopez stated I think we ought to move forward, Mr. Chairman, only for the simple reason that it is a plan, a Master Plan, and if we don't want to do it we don't have to do it.

Chairman O'Neil called for a vote on the motion to grant authorization. The motion carried with Alderman Lopez being duly recorded in opposition of the application for the Beech Street project.

Chairman O'Neil addressed Item 13 of the agenda:

Communication from the Deputy Director of Parks, Recreation & Cemetery

requesting to retire vehicle #2FABP43F9GX202798 and replace it with another surplus City vehicle.

On motion of Alderman Cashin, duly seconded by Alderman Lopez, it was voted to approve this request.

Chairman O'Neil addressed Item 11 of the agenda:

Communication from the Deputy Public Works Director requesting the replacement of a Superintendent's vehicle and necessary equipment.

Alderman Cashin moved to approve the request. Alderman Lopez duly seconded the motion.

Alderman Lopez stated I think we should look at Item 11 and 12 together. At least I am understanding and maybe somebody can explain it to me if I am reading this wrong. There is \$23,000 left in the MER account and looking at Item 12 the Police Department is going to want \$5,000 of that money so that would leave \$17,890. Would the Highway Department get that total? I just don't want to move on giving them \$23,000 when the Police Department needs \$5,000.

Mr. Thomas stated I believe it is two different accounts. The account that is noted on Item 11 is the MER cash account and I believe the account that is being used for the police vehicle is a bond account.

Alderman Lopez replied the Police correspondence states an unobligated balance of MER account of \$5,110.

Mr. Thomas responded correct. There are two different accounts. One is a bond amount that is being utilized under the Police Department and under the Highway proposal it is an MER cash account. There are available monies for both of those requests.

Chairman O'Neil called for a vote on the motion. There being none opposed, the motion carried.

Chairman O'Neil addressed Item 12 of the agenda:

Communication from the Chief of Police requesting to purchase a vehicle from Irwin Motors with money from the self-insurance fund, balance of the MER account and \$343.00 from the Police budget to replace a vehicle which was damaged beyond repair in a recent accident.

On motion of Alderman Lopez duly seconded by Alderman Cashin, it was voted to approve the request.

Chairman O'Neil addressed Item 14 of the agenda:

Sewer abatement request of Linda Dickinson (965 Clay Street).

On motion of Alderman Cashin, duly seconded by Alderman Lopez, it was voted to deny this request.

Chairman O'Neil addressed Item 15 of the agenda:

Communication from the Director of Planning submitting a copy of HUD's Annual CIP Assessment Letter (PY99).

On motion of Alderman Cashin, duly seconded by Alderman Lopez, it was voted to receive and file this letter.

TABLED ITEMS

16. Copy of a communication from the Deputy Finance Officer to Alderman Gatsas relative to funding options for Millyard parking facilities.
(Tabled 9/18/00)

17. Ordinance Amendment:

"Amending Section 37.03 "Advisory Board" by inserting new language prohibiting persons holding positions within the entity association, or organization designated by the Advisory Board to manage services within the Central Business Service District from serving as members of the Advisory Board."

(Tabled 01/09/01 pending further information from Messrs. MacKenzie and Muller.)

18. Communication from the Director of Planning submitting a copy of a contractor's estimate in the amount of \$152,750 to make repairs to the Blood Mausoleum.
(Tabled 2/13/01)

19. Communication from Robert S. MacKenzie submitting updated information on HOME projects under Manchester Neighborhood Housing Services as requested by the CIP Committee.
(Tabled 12/18/00 and remained tabled 04/10/01 pending separate meeting to address this issue.)
(Note: updated Affordable Housing Program Status Report (June 2001) forwarded under separate cover.)

NEW BUSINESS

Chairman O'Neil stated we need to get clarification from the School District with regards to these capital projects. We need a policy. Is it a sign-off by the Superintendent? Is it a vote by the Building & Sites Committee or is it a vote of the full School Board? I would ask that we take a vote tonight to request Mr. MacKenzie and Mr. Clark to talk to the School Board and come up with a clarification. This issue came up during the CIP budget process. We may have been approving projects that they didn't agree to. I think we need clarification from them on what the policy is.

Alderman Cashin asked we never had a policy before did we.

Chairman O'Neil answered the problem is that there is a question with the chargebacks now. If they didn't approve a project is there a justification in them being charged for that project.

Alderman Cashin asked, Frank, aren't you sitting down and talking to the School Board. Don't you both agree on what is going to be done?

Mr. Thomas answered on our projects to date, yes. The last round was with the SCIP cash projects. The Building & Sites Committee of the School Board voted to accept our recommendations minus \$100,000 worth of projects, which they will defer to a later time in the year. The major projects, CIP projects, they have already given us the okay on.

Chairman O'Neil stated there is an issue with the Security Manager and there could be an issue with Parks & Recreation with regard to some of the school grounds projects.

Mr. Thomas replied I can't speak regarding their projects. Again, our projects we are on track with. The biggest outstanding issue that we have is that as you know the Board approved new positions for the Building Maintenance Division and

other enhancements to the ServiceMaster contract. All of those enhancements of additional people are in limbo right now pending the School District finalizing their budget. Those issues are up in the air but the CIP projects and the SCIP projects seem to be under control right now.

Alderman Cashin asked so you are in full agreement on the SCIP and CIP projects right.

Mr. Thomas answered that is correct.

Chairman O'Neil stated for his department.

Alderman Cashin stated I am not sure where you are going.

Chairman O'Neil replied this came up during the CIP budget when I reviewed with the Superintendent the projects that were listed there was some concern about security projects that they had not actually voted on. At that time I said to Mr. MacKenzie we need to come up with something, an agreement with the School District on if money is going to be spent and they are going to be charged back for it that they need to have an actual vote on it. It is not just the Security Manager. It could be Parks & Recreation or any other department that provides a service to them. My concern from this Committee is the capital projects. As we know, chargebacks is a very hot issue and I think it was a fair concern by the School District. I am just asking that Bob and Tom Clark get together with them to draw up...is it a full vote of the School Board to approve what projects get done.

Mr. MacKenzie stated it is a valid question. Just to summarize fairly quickly, there is a state statute that indicates any changes within schools under school jurisdiction does require approval of the School Board. The Highway Department certainly does that on a regular basis and they come in jointly with their CIP requests being consistent. Parks & Recreation works with the schools but is a little less formal I think than the process the Highway Department uses. The security in this case I am not sure if that did receive an approval. Clearly it is required pursuant to state law and I think this Committee can request that any department dealing with the schools get School Board approval and clearance prior to coming into the CIP process.

Alderman Lopez stated I think I know where Alderman O'Neil is going to go here because for example we have an Alderman on the Building & Sites Committee and we know what they are going to take up but we never know what has been approved by that Committee to go to the School Board to approve. We don't get a copy of those minutes for information or whatever the case may be. Mr. MacKenzie, could you have somebody outline the procedure as developed with

the School Board and maybe it could be that the Building & Sites Committee approves the project and then it is turned over to the School Board for final approval and then who notifies who that the School Board approved the project.

On motion of Alderman Lopez, duly seconded by Alderman Cashin, it was voted to have Mr. MacKenzie and Mr. Clark sit down with the School Administration to come up with a process for approval of CIP projects.

Communication from the Planning Director regarding FY02 Central
Neighborhood Infrastructure Reconstruction

Mr. MacKenzie stated very briefly for your information, each year there is a larger account identified that we can use federal funds, HUD monies to work on inner City streets. We would work with the Highway Department to determine which streets are most in need and then funds are allocated for the reconstruction. In the past Central Street and Wilson Street were reconstructed. In this case there are a couple of streets identified and we are just providing that for your information.

On motion of Alderman Cashin, duly seconded by Alderman Lopez, it was voted to receive and file this item.

There being no further business, on motion of Alderman Cashin, duly seconded by Alderman Lopez, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee